

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

388.1611r Distressed districts emergency grant fund.

Sec. 11r. (1) From the appropriation in section 11, there is allocated for 2014-2015 an amount not to exceed \$4,000,000.00 to be deposited into the distressed districts emergency grant fund created under this section for the purpose of funding grants under this section.

(2) The distressed districts emergency grant fund is created as a separate account within the state school aid fund. The state treasurer may receive money or other assets from any source for deposit into the distressed districts emergency grant fund. The state treasurer shall direct the investment of the distressed districts emergency grant fund and shall credit to the distressed districts emergency grant fund interest and earnings from the fund.

(3) Subject to subsection (4), a district is eligible to receive a grant from the distressed districts emergency grant fund if either of the following applies:

(a) The district has adopted a resolution authorizing the voluntary dissolution of the district approved by the state treasurer under section 12 of the revised school code, MCL 380.12, but the dissolution has not yet taken effect under that section.

(b) The district is a receiving district under section 12 of the revised school code, MCL 380.12, and the district enrolls pupils who were previously enrolled in a district that was dissolved under section 12 of the revised school code, MCL 380.12, in the immediately preceding school year.

(4) A district receiving funds under section 20g is not eligible to receive funds under this section.

(5) The amount of a grant under this section shall be determined by the state treasurer after consultation with the superintendent of public instruction, but shall not exceed the estimated amount of remaining district costs in excess of available revenues, including, but not limited to, payroll, benefits, retirement system contributions, pupil transportation, food services, special education, building security, and other costs necessary to allow the district to operate schools directly and provide public education services until the end of the current school fiscal year. For a district that meets the eligibility criteria under subsection (3)(b), the amount of the grant shall be determined in the same manner as transition costs under section 20g.

(6) Before disbursing funds under this section, the state treasurer shall notify the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies. The notification shall include, but not be limited to, the district receiving funds under this section, the amount of the funds awarded under this section, an explanation of the district conditions that necessitate funding under this section, and the intended use of funds disbursed under this section.

(7) Except as otherwise provided in subsection (8), money in the distressed districts emergency grant fund at the close of a fiscal year shall remain in the distressed districts emergency grant fund and shall not lapse to the state school aid fund or to the general fund.

(8) For 2015-2016 only, an amount not to exceed \$2,800,000.00 shall be lapsed from the distressed districts emergency grant fund to the state school aid fund.

History: Add. 2014, Act 196, Eff. Oct. 1, 2014;—Am. 2015, Act 85, Imd. Eff. June 17, 2015;—Am. 2016, Act 249, Imd. Eff. June 27, 2016.